Division of the State Chief Information Officer

2002 Accountability Report

Major Accomplishments of the Division of the State CIO

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## Major Accomplishments of the Division of the State CIO

Hired New CIO and Reorganized Staff

Because of the impact information technology (IT) has on government business processes and the delivery of services to the citizen, there is a critical need for statewide leadership. To meet this need, the Budget and Control Board hired a State Chief Information Officer and reorganized its existing IT management services under the new CIO. The goal of the CIO is three fold: (1) have all State services that are provided to the citizens of South Carolina becomes available in a digital format; (2) have South Carolina become a nationally recognized leader in innovative government technology solutions; and (3) have a state-wide technology governance model that promotes the enterprise view of the state and streamlines the approval of IT initiatives. Standardization and the use of common approaches are the mainstays in reaching this goal.

Reduced Local Service Telephone Rates

The Division of the State CIO redesigned and streamlined the local service network, upgraded switches, changed routing paths, implemented new technology, added additional telephone features, and renegotiated its contract for communications services. As a result of these efforts, the Division of the State CIO reduced its local service telephone rate to an average of $17.11 per month per telephone. This saved state government approximately $3,545,229 during FY02.

Average Monthly Charge for CIO-Provided Local Telephone Service

Agencies realized a savings of $3,545,229 for local telephone service in FY02.
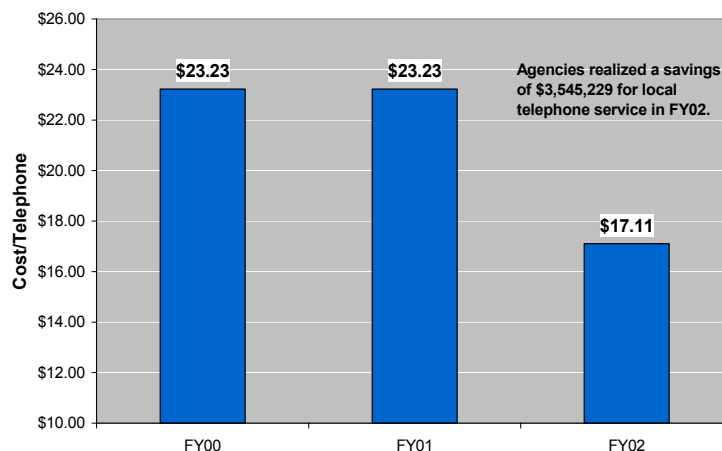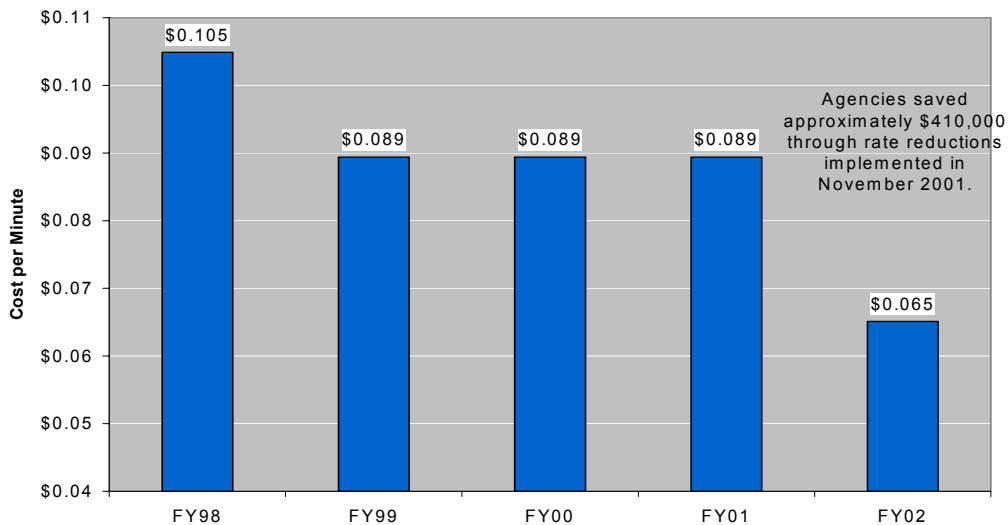
In addition, the CIO Division hired an independent, internationally recognized consulting firm, Gartner Group, to conduct a peer review benchmarking study on the CIO Division's deployment of technology. The Division's work was compared to two databases – one containing private sector businesses and one containing government (federal, state, and local.) Listed below are the results of this study pertaining to the delivery of local telephone service.

- The CIO Division was rated '*Best in Class'* due to lower costs in hardware, software, and access cost components.

- The CIO Division was ranked in the top 10% of cost efficient performers in Gartner's client database and among those who have achieved the most significant economies of scale advantages*.*

Reduced Long Distance Telephone Rates

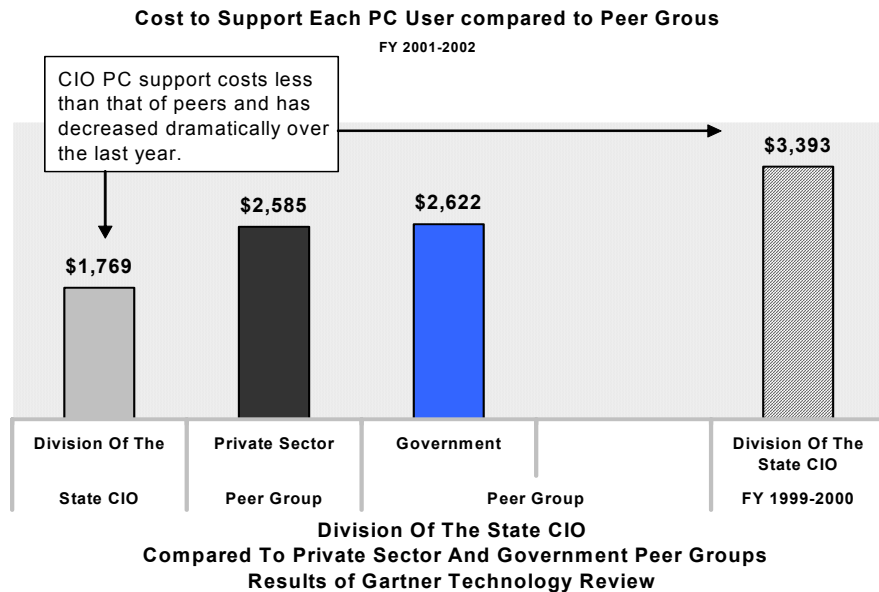**Average Cost Per Minute for Long Distance Calls**

Through aggressive cost containment, extensive network redesign and very successful contract negotiations, the Division of the State CIO reduced its long distance rates to an average of $0.065 per minute. This reduction was implemented in November 2001 and saved state agencies approximately $410,000

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Distributed Computing/ PC Support

The CIO Division hired an independent, internationally recognized consulting firm, Gartner Group, to conduct a peer review benchmarking study on the CIO Division's deployment of technology. The Division's work was compared to two databases – one containing private sector businesses and one containing government (federal, state, and local.) The Gartner Group found that the PC Support provided by the CIO Division was ranked in the top 26% of cost efficient performers in Gartner's client database.

Cost to Support Each PC User compared to Peer Grous

FY 2001-2002

CIO PC support costs less than that of peers and has decreased dramatically over the last year.

$3,393

$2,585

$2,622

$1,769

| Division Of The State CIO | Private Sector Peer Group | Government Peer Group | | Division Of The State CIO FY 1999-2000 |

Division Of The State CIO
Compared To Private Sector And Government Peer Groups
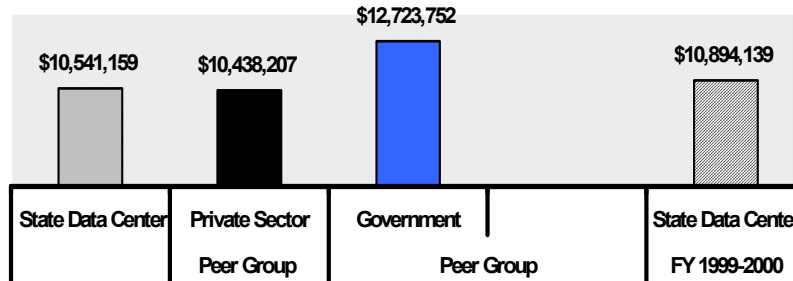**Results of Gartner Technology Review**

Mainframe Operations

Pursuant to legislative proviso 63.5A, the physical consolidation of 7 disparate data centers was completed in 2001. The CIO Division is now pursuing logical consolidation and standardization. These efforts have lead to economies of scale, automation, and increased efficiency.

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Gartner Group Information Technology Overview
Cost of Mainframe Data Center Operations
FY 2001-2002

		$12,723,752		
$10,541,159	$10,438,207			$10,894,139
State Data Center	Private Sector	Government		State Data Center
	Peer Group		Peer Group	FY 1999-2000

State Data Center Compared To Private Sector And Government Peer Groups